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SENSITIVE  
SIPDIS  
DEPT FOR DS/IP/OPO (LEWIS AND RICHARDSON)  
FOR DS/IP/WHA (EUSTACE AND LIZZI)

E.O. 12958: N/A  
TAGS: [ASEC](#) [ABUD](#) [AFIN](#) [AMGT](#)  
SUBJECT: Caracas Request for PSA Conversion of LGF

REF: EMAIL BASHNAN/LEWIS DTD 02/17/10; CARACAS PSA COST ANALYSIS  
CARACAS PROPOSED SCHEDULE A AND CARACAS LOCAL COMPENSATION PLAN

1. Post has received DS request (REFTEL A) that Post provide additional information about Post's proposal to convert the Local Guard Force (LGF) program from contractor provided to Personal Services Agreement (PSA). Answers provided are keyed to REFTEL A. REFTEL B contains the completed cost benefit analysis spread sheet for FY 10 by function code, proposed schedule A, and the local compensation plan.

A. DS requested that Post provide an updated PSA cost benefit analysis reflecting estimated costs and projected savings that would be realized if the local guard force is converted from contract to PSA. Using the provided costs benefit analysis template (REFTEL B), we estimate a cost savings of \$1,901,700 in the first initial year and \$3,390,200 each additional year for a total \$15.4M over the life of a five year contract. This is based on a new contract being negotiated at the rate of the current bridge contract.

B. DS requested confirmation that Post's financial (FMO) and human resource (HR) offices have agreed to accept the additional responsibility of managing and supporting administrative requirements for a PSA local guard force. Post has agreed to provide administrative support for the conversion. Per the ICASS software it appears that Post will need to hire two additional positions to support the added work load; one in HR and one in FMO. The direct costs of the positions will be \$69,750. If there is a question as to the new DS invoice under ICASS, post will forward via email.

D. DS requested that Post provide an updated schedule A (Guard Schedule) that clearly identifies how many guard personnel will be needed to staff each guard post, taking into account the local compensation plan requirements to provide the PSA guards with the required annual sick leave, vacation time, holidays and to meet guard training requirements. Post referred to 12 FAH-7, Appendix II-2 (Determining staffing requirements) for guidance on determining the appropriate staffing levels for the PSA guard program. We have determined that 147 LGF positions are required to maintain post security posture (See Reftel C).

E. DS requested that Post provide a copy of Post's local compensation plan and LES payment schedule via e-mail. REFTEL C contains the updated schedule A and the local compensation plan.

F. DS requested that post identify the appropriate function codes (5826, 5821, 5822 and 5823) for the cost benefit analysis and schedule A (Guard Schedule) and use them to account for the local guard positions and the total estimated cost projections and savings for ICASS and Non-ICASS. Post complied; see attachments in REFTEL B.

G. Post confirms and acknowledges RSO responsibility to provide the PSA local guards with the appropriate training and certification. Post will refer to 12 FAH-7 H-513 (Guard Training)

and 12 FAH-7 H-520 (U.S. Government Provided Training) for additional information on training PSA local guards.

12. Point of contact at Post is RSO Wendy Bashnan, telephone number 58-212-907-8403. Regards.

DUDDY